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Subject: RE: 2003-98 and the TAM

thanks for looking at the ruling. Both involve situations where property was transferred after a merger that related to services performed before the merger. The default rule is that the service recipient (Target) gets the deduction. However, in the TAM the transfer of property (there, a payment of cash treated as a property transfer under 1.83-7) occurred after the merger; in situation 4 of the Rev. Rul, the transfer of property (there, an exercise of shares of the Acquiror), occurred after the merger. In both cases, if the transaction was a stock transaction, the Target gets the deduction. But since there was a merger in both cases, the Acquiror succeeds to the Target's deduction. So on the key facts, I think they are the same.

This is just my tentative view.